Promise Zones Questions and Answers

Version Date: December 5, 2013

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- 33. Is there a file size limit for emailing files to HUD?
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1. What are the goals of the Promise Zones initiative?

Under the Promise Zones initiative, the federal government will invest and partner with high-poverty urban, rural, and tribal communities to create jobs, increase economic activity, improve educational opportunities, leverage private investment, and reduce violent crime.

2. How does the Promise Zones initiative relate to Ladders of Opportunity?

The Promise Zones initiative is part of President Obama's Ladders of Opportunity agenda, which holds that there's a basic bargain in America. It says that no matter who you are or where you're from, if you're willing to work hard and play by the rules, you should be able to find a good job, feel secure in your community, and support a family. President Obama has fought for the middle class, and has made historic investments in making sure that there are ladders of opportunity for those working hard to make it to the middle class.

The President's Ladders of Opportunity plan:

- Rewards hard work by raising the minimum wage to \$9.00: Right now, a full-time minimum wage worker makes \$14,500 a year. That means too many Americans who are putting in an honest, hard day's work are living in poverty. That's unacceptable. The President's plan raises the minimum wage from \$7.25 to \$9.00, which would directly boost wages for 15 million workers and reduce poverty and inequality.
- Provides high-quality preschool for every child: Let's give every child the fair shot he or she deserves. For America to succeed in the 21st century, we must have the most dynamic, educated workforce in the world, and that education has to start early in life. But today, most four-year-olds aren't in a high-quality public preschool program. The President's plan partners with states to expand high-quality preschool to every child. In addition to providing access to high-quality preschool for every child, the President is proposing to make a significant investment in early learning opportunities for our youngest children—birth through age three—by expanding Early Head Start, child care, and other health and education programs.
- Partners with communities to help them rebuild and put people back to work: A child's zip code should never determine her destiny; but today, the community she grows up in impacts her odds of graduating high school, her health outcomes, and her lifetime economic opportunities. This year, the Administration will begin to partner with 20 communities that were hardest-hit by the recession to help get them back on their feet. Working with local leaders, the President's plan targets resources at creating jobs, public safety, education, and housing.
- <u>Creates pathways to jobs for all Americans</u>: The President's plan offers incentives to companies that hire Americans who've got what it takes to fill a job opening, but have been out of work so long that no one will give them a chance anymore. His plan also supports summer and year-round jobs for low-income

youth. This is in addition to his plan to equip Americans with the skills they need for the high-tech, highwage jobs of the 21st century.

• <u>Strengthens families</u>: The President is proposing to remove financial deterrents to marriage for low-income couples; as well as continuing to support the critical role that fathers play in enhancing the intellectual, emotional, and financial well-being of their sons and daughters.

3. How will the Promise Zones initiative work with communities to achieve these goals?

The Promise Zones designation creates a mechanism for the federal government to partner with local leaders who are addressing multiple community revitalization challenges with on-the-ground technical assistance to help navigate federal programs and regulations. This intensive engagement will help communities make the most of funding that may already be available. Promise Zone designees will also receive, through upcoming federal competitive grant competitions, increased access to proven tools to help them carry out their strategies. Promise Zone designees will also receive, if enacted by Congress, employer tax incentives to create jobs for Zone residents and attract private capital to disinvested places. Altogether, this package of proven tools will help local leaders accelerate efforts to revitalize their communities.

4. What are Promise Zones exactly, and what benefits do they receive?

The Promise Zones initiative will revitalize high-poverty communities across the country by attracting private investment, improving affordable housing, improving educational opportunities, providing tax incentives for hiring workers and investing in the Promise Zones, reducing violent crime, and assisting local leaders in navigating federal programs and cutting through red tape.

The Obama Administration will designate 20 communities over the next four years – including up to five this year – with this intense and layered approach to community revitalization.

That approach includes working with local leadership, and bringing to bear the resources of a number of the President's signature revitalization initiatives from the Department of Education (ED), the Department of Housing and Urban Development (HUD), the Department of Agriculture, and the Department of Justice (DOJ), to ensure that federal programs and resources support the efforts to turn around 20 of the highest poverty urban, rural and tribal communities across the country.

The Administration will designate each of these Promise Zones through a <u>transparent</u>, <u>competitive process</u>. Urban neighborhoods, rural communities or tribal communities designated as Promise Zones will receive:

<u>Promise Zones tax incentives, if enacted:</u> Should Congress enact the Promise Zones tax credit (crafted on the proven model of Empowerment Zones tax credits), private businesses would receive tax incentives for hiring and investing in Promise Zones, to create jobs and attract additional private investments

<u>Intensive Federal partnership:</u> Through teams of federal staff that collaborate with the Promise Zone community and provide specialized technical assistance, these partnerships help communities break down regulatory and bureaucratic barriers, use existing funds more effectively, and implement their local revitalization visions.

The purpose of direct engagement between federal agencies and Promise Zone communities is to mirror at the federal level the capacity and drive that designated communities must have to get the job done. The approach will smooth the way for problem solving among siloed federal programs, identify ways to use existing funding allocations more efficiently, and expedite consideration of waivers of federal provisions where necessary and appropriate. The direct engagement will also allow peer exchange and technical assistance as the project moves through its various phases and focus areas.

Additional proven tools: Promise Zones will have increased access to investments that further the goals of job creation, additional private investment, increased economic activity, improved educational opportunity, and reduction in violent crime. Designees will receive competitive preference priority (e.g. additional points in competitions) for the Administration's signature place-based investments. These funding sources will include:

- Choice Neighborhoods (HUD): Choice Neighborhoods supports locally driven solutions for transforming high-poverty neighborhoods by revitalizing distressed housing, improving educational opportunities, and increasing local economic activity.
- Promise Neighborhoods (ED): Based on the work of the Harlem Children's Zone, Promise Neighborhoods builds a pipeline from the earliest ages of educational support services around a strong school environment, focused on the goal of high school graduation and college matriculation for every student.
- Byrne Criminal Justice Innovation (DOJ): Targets neighborhoods with hot spots of violent and serious crime by employing data-driven, cross-sector strategies that show evidence of impact in reducing crime and violence

Preference points, technical assistance, access to grantee networks and other benefits will be directed to Promise Zones from additional federal programs at the Small Business Administration, Department of Labor, Department of Health and Human Services, Department of Agriculture, Department of Justice, Department of Housing and Urban Development, Department of Education and potentially other federal agencies.

5. Is there funding associated with the designation in FY2013? What about in future years?

Promise Zones will not receive direct funding, but will benefit from technical assistance, federal staff support, and more extensive preference points and access to other federal grant programs. Should Congress enact proposed Promise Zone tax credits, private businesses would receive tax incentives for hiring and investing in Promise Zones.

6. The President's Promise Zones plan says that in addition to on-the-ground federal partnership and the Promise Zones tax credit, the federal government will help the Promise Zones access the programmatic resources they need. What federal resources will be available to the Promise Zones?

When a Promise Zone is designated, the federal government will help them in their efforts to access the resources they need to carry out the strategic plan for which they were competitively selected. This doesn't mean that the Promise Zone will be able to access any funding they request, but they will be provided preferred

access, as permissible under program rules, to the federal resources required to carry out their competitively selected strategic plan, which could include resources from the following programs and offices.

- Department of Housing and Urban Development: Choice Neighborhoods; Rental Assistance Demonstration; Neighborhood Stabilization Initiative; Integrated Planning and Implementation Strategy grants
- Small Business Administration: Micro Entrepreneurship Initiative; HUBZone Program; Women's Business Center counseling/training; Start Young Initiative; Office of Native American Affairs technical assistance
- Department of Justice: Byrne Criminal Justice Innovation Program; COPS Hiring Program
- Department of Labor: Opportunity Youth Demonstration Project; YouthBuild; Reintegration of Ex-Offenders
- Department of Treasury: Healthy Food Financing Initiative
- Department of Health and Human Services: Community Health Centers; Community Services Block Grant; Healthy Start; Assets for Independence
- Department of Agriculture: Community Facilities Grant Program; Self-Help Section 523 Technical Assistance Grants; Housing Preservation Grant; Rural Community Development Initiative
- Department of Commerce: Economic Development Assistance Program
- Department of Education: Supplemental priority for certain K-12 and higher education competitive grant programs, including Promise Neighborhoods
- Corporation for National and Community Service: AmeriCorps VISTA

7. How would the proposed Promise Zone tax credits work?

Should Congress enact the Administration's Promise Zones tax incentive proposal, private businesses would receive tax incentives for employing and investing in Promise Zones, to create jobs and attract additional private investments. The tax incentives would be available to businesses employing Promise Zone residents or investing in a geographic area encompassing the Promise Zone, and extending into a surrounding area not to exceed the eligible size and population as described in the Administration's FY14 revenue proposals (http://www.treasury.gov/resource-center/tax-policy/Documents/General-Explanations-FY2014.pdf). The maximum population of the area in which a Promise Zone tax incentive can be claimed is 200,000; Promise Zones can have smaller populations. Under the Administration's proposal the Promise Zone tax incentives will remain available to businesses for 10 years.

8. How long will Promise Zone designations last?

Promise Zone designations will have a term of 10 years, and will be extended as necessary to capture the full term of availability of the Promise Zone tax incentives, if enacted.

9. How are preference points being awarded to Promise Zones? How is this different from existing preference points currently given?

Preference points and priority considerations awarded under Promise Zones will be targeted to a broader set of programs related to place-based initiatives (beyond Promise Neighborhoods, Choice Neighborhoods and Byrne Criminal Justice Innovation) and with more weight than through the process used by Promise Neighborhoods, Choice Neighborhoods, and Byrne Criminal Justice Innovation.

10. Is the lead applicant the only entity that receives the benefits of Promise Zone designation, such as tax incentives, technical assistance and future application preference points?

All partner agencies are eligible to receive Promise Zone benefits. However, the lead applicant of the Promise Zone will have to certify the partnership through a partner agreement. The agreement will have to be included in any future grant applications or request for benefits.

11. Why is the role of local government so important?

The Promise Zone initiative supports local stakeholders who have come together to produce results, and who demonstrate commitment to stay the course. Commitment by local government to the goals of community revitalization – including creating jobs, increasing economic activity, increasing educational opportunities, reducing serious and violent crime, and leveraging private resources – is recognized as a major success factor in the sustainability and success of this work. Demonstrations of commitment by local government are weighted according to this importance in the selection criteria for the 2013 round of Promise Zones (see www.hud.gov/promisezones). The opportunity to apply for a Promise Zone designation provides interested urban, rural and tribal communities and non-governmental partners with the opportunity to engage local government leadership and discuss the working relationship and commitments that would be necessary for success.

12. What is the role of state government?

State agencies set the specific rules and processes controlling federal funding for many important services, including Medicare and Medicaid, Transitional Assistance for Needy Families, the Supplemental Nutrition Assistance Program (SNAP) and its Employment and Training component, Community Action Program, Workforce Innovation Act funding, Title I education grants and Community Development Block Grant and HOME Investment Partnerships programs. Within federal statutes and regulations governing this funding, states establish an administrative structure of local organizations, both public and private, that deliver the services. To the extent that Promise Zone strategies require federal action with respect to these programs, the participating federal agencies will consider such requests from the affected state agencies and the local organizations charged with program delivery. Such requests will be considered in the context of specific commitments to results, and the tracking of outcomes for assessment by all Promise Zone stakeholders and agencies.

13. Will there be a common set of indicators for Promise Zones? What type of reporting is required?

The five primary goals of Promise Zones are creating jobs, increasing economic activity, improving educational opportunities, reducing violent crime, and leveraging private investment. The Administration will continue the work it has done across programs like Choice Neighborhoods and Promise Neighborhoods to ensure that Promise Zones designees and the Administration are consistently using the same indicators to measure success against those goals.

14. What is the ultimate aim of this pilot program? How does the Administration plan to design and implement federal policy based on what works in the Promise Zones?

The participating agencies will be working with selected Promise Zones to improve the coordination among federal resources to enhance place-based strategies and increase the progress of community revitalization initiatives. As outcomes are achieved and best practices are developed, federal agencies will consider expanding improvements in the delivery of federal funding and services to other communities seeking similar opportunities and results.

15. Will those applicants who do not get designated as a Promise Zone lose their existing grants?

No.

16. Which communities are eligible to apply in the 2013 round? What about later rounds?

The first round of Promise Zone designations will be made in calendar year 2013. In 2013, only communities that have previously been selected to participate in one of a related set of programs (Choice Neighborhoods, Promise Neighborhoods, Byrne Criminal Justice Innovation grants, etc.) will be eligible to apply. These communities have demonstrated their capacity in one area of the Promise Zones work and have already demonstrated their preparedness to broaden their efforts to additional revitalization priorities. Each of these programs is nationally competitive, and participation in each of them indicates a level of capacity among local institutions that promotes the success of a Promise Zone. A complete list of communities that meet the 2013 criteria is provided on www.hud.gov/promizezones.

The federal agencies will use the experience of working with the first set of communities to develop aspects of the Promise Zones initiative, such as technical assistance and data gathering, so that the initiative can support other communities more effectively in future years.

The participating agencies intend to release draft qualifying and competitive criteria for future Promise Zone competitions for public comment this year, well in advance of publishing 2014 competition documents.

<u>Communities eligible for 2013 urban Promise Zones designations:</u> In urban areas, neighborhoods are eligible if they contain the geographic area that is the focus of one of the following types of implementation grants. The grantees/partners of these grants will be expected to be applicants or key partners in the Promise Zones application.

- Choice Neighborhoods implementation grants
- Promise Neighborhoods implementation grants
- Byrne Criminal Justice Innovation Implementation and Enhancement grants

<u>Communities eligible for 2013 rural Promise Zones designations:</u> One of the following grants must be active within the Zone, and the grantees/partners of those grants will be expected to be applicants or key partners in the Promise Zones application:

- Promise Neighborhoods implementation grants
- Stronger Economies Together

<u>Communities eligible for 2013 tribal Promise Zones designations:</u> One of the following grants must be active within the Zone, and the grantees/partners of those grants will be expected to be applicants or key partners in the Promise Zones application:

- Stronger Economies Together
- Sustainable Communities
- Rural Jobs Accelerator

17. If a nonprofit partnered with a local government for a Promise Zone designation, could the nonprofit then apply to be a Department of Education Promise Neighborhood applicant?

Under the fiscal year (FY) 2012 Promise Neighborhoods program guidelines, nonprofits are eligible applicants; a Promise Zone designation would not impact eligibility. Specific guidance on applicant eligibility and application requirements has not been released for FY 2014. FY 2014 grant competition and awards are contingent on congressional budget appropriations.

18. Which entities within a community are actually eligible to apply for a Promise Zones designation?

Urban – Lead applicants for urban Promise Zones must be (i) local governments such as public housing authorities or other local government entities or (ii) nonprofit organizations applying in partnership with strongly committed local governments.

Rural – Lead applicants for rural Promise Zones must be (i) local governments such as towns or county boards, economic development corporations, or (ii) other nonprofit organizations applying in partnership with a strongly committed unit of local government.

Tribal – Lead applicants for tribal Promise Zones must be (i) Federally-recognized tribes; (ii) Recognized Tribes; tribal consortia approved by tribes, resolution, or equivalent; (iii) Alaska Native Corporations approved by tribes, resolution/by-laws, or equivalent; or (iv) nonprofit organizations. Any nonprofit organization, consortia or non-tribal government serving as lead applicant should have a resolution demonstrating commitment from the tribal governing body to be considered eligible.

19. Does the lead applicant for a Promise Zone need to be the lead applicant for the original eligible grantee, or can it be a different entity? Will individual tribal or rural communities within a larger eligible grant region be eligible to apply independently for a Promise Zone designation?

The lead applicant for can be different than the lead applicant for the existing eligible grant program as long as the entity meets eligibility requirements. However, the lead applicant of the original grants must be key applicants/partners for the Promise Zone application.

20. Will Promise Zone designation disqualify applicants from a potential Promise Neighborhoods award?

No. A Promise Zone designation does not disqualify an applicant from receiving a Promise Neighborhoods grant award.

21. Are we going to have Request for Proposals for Promise Neighborhoods during 2013?

On May 17, 2013, the U.S. Department of Education (ED) announced that due to the amount of funding made available under the fiscal year 2013 Continuing Resolution, ED is unable to conduct a competition under the Promise Neighborhoods program.

22. Are suburban communities that meet the eligibility criteria eligible to apply?

Yes, as long as communities meet the eligibility criteria, they are eligible to apply.

23. Are 2012 planning grantee's eligible to apply for a 2013 Promise Zone?

No. Only Promise Neighborhoods implementation grantees are eligible to apply for a Promise Zone designation in 2013. Any interested community meeting the qualifying criteria may apply starting in 2014.

24. What other characteristics qualify communities to apply for Promise Zone designation this year?

Promise Zones can be urban communities, rural communities, or Tribal communities proposed by applicant organizations, and must have the following characteristics:

For urban Promise Zones:

- 1. Promise Zones must encompass one or more census tracts across a contiguous geography.
- 2. The overall poverty rate within the Promise Zone must be over 20 percent.
- 3. The Promise Zone must contain at least one census tract with a poverty rate above 30 percent.
- 4. Promise Zone boundaries must encompass a population of at least 10,000 but no more than 200,000 residents.
- 5. An existing boundary of a current Promise Neighborhoods or Choice Neighborhoods Implementation grant or Byrne Criminal Justice Innovation grant must be encompassed within the proposed Promise Zone boundaries.
- 6. A current Choice Neighborhoods or Promise Neighborhoods implementation grant, or a Byrne Criminal Justice Innovation grant, must be active within the Promise Zone, and the grantees/partners of those grants must be key applicants/partners for the Promise Zone application.
- 7. Local leadership, including the mayors of jurisdictions represented in the Promise Zone, must demonstrate commitment to the Promise Zone effort.
- 8. For applications across jurisdictional lines, a clear lead applicant must be identified, and commitment must be demonstrated by leadership of all jurisdictions involved.

For rural Promise Zones:

- 1. Promise Zones must encompass multiple census tracts across a contiguous geography.
- 2. The overall poverty rate within the Promise Zone must be over 20 percent.
- 3. The Promise Zone must contain at least one census tract with a poverty rate above 30 percent.
- 4. The Promise Zone must encompass one or more non-metro countries; but does not need to include a whole county or counties.
- 5. The Promise Zone boundaries must encompass a population of at least 6,000 but no more than 200,000 residents.
- 6. Local leadership of jurisdictions represented in the Promise Zone must demonstrate commitment to the Promise Zones effort.
- 7. For applications across jurisdictional lines, a clear lead applicant must be identified, and commitment must be demonstrated by leadership of all jurisdictions involved.

For tribal Promise Zones:

- 1. Tribal¹ applicants can define boundaries which can encompass multiple census tracts and nearby tribal owned areas or reservations or consortia of tribes and non-tribal jurisdictions.
- 2. The overall poverty rate within the Promise Zone must be over 20 percent.
- 3. Local officials or tribal leadership of jurisdictions represented in the Promise Zone must demonstrate commitment to the Promise Zones effort.
- 4. The Promise Zone boundaries must encompass a population of no more than 200,000 residents (no minimum number of residents is required).
- 5. For applications across jurisdictional lines, a clear lead applicant must be identified, and commitment must be demonstrated by leadership of all jurisdictions involved.
- 25. Can a locality propose a different neighborhood than its current Choice Neighborhoods, Promise Neighborhoods, Byrne, Rural Jobs Accelerator, Partnership for Sustainable Communities, or Stronger Economies Together (SET) area for designation as 2013 Promise Zone?

The Promise Zone initiative supports integrated solutions that catalyze sustainable changes in specific geographies. Because of this focus on specific geographies, the designated area must include the

¹ Federally-recognized tribes, tribal consortia approved by tribes by resolution or equivalent, and Alaska Native Corporations approved by tribes by resolution/by-laws or equivalent.

neighborhood/community from the original grant application, and cannot represent a different neighborhood or community in entirety.

- Urban Areas: The Promise Zones designation could be an area from the original grant application or expanded as long as the designated area meets the qualifying criteria for poverty levels and population range.
- Rural and Tribal Areas: The geographic area proposed as a Promise Zone must have significant overlap
 with the existing boundaries of its current grant area as long as they meet the qualifying criteria for
 poverty levels and population range.

26. For cities where there are two or more current eligible grantees (Buffalo, San Antonio, San Francisco, and Seattle), would the Promise Zone designated boundaries be inclusive of at least one of the place-based award footprints?

Yes, one of the existing footprints of Choice Neighborhoods, Promise Neighborhoods or Byrne Criminal Justice needs to be within the proposed Promise Zone boundaries.

27. Could a city or region apply for more than one Promise Zone designation if it has two eligible, but distinct communities?

Every eligible community is invited to apply, but it is highly unlikely that two communities in one city would be selected.

28. What is the data source used to determine the poverty rate?

The data source used in the optional Promise Zones mapping tool is the concentration of people in poverty, which is calculated with data at the block group level from American Community Survey (2011) for metropolitan areas and the tract level for non-metropolitan areas. This indicator represents the percent of people within the target geography who are below the poverty line. The estimated concentration of Extremely Low Income (ELI) households represents an approximation of the percent of households within the specified area whose household combined income is below 30% of the HUD defined Area Median Income (AMI). This ELI indicator is calculated with data from the block group level from CHAS 2010. The final "poverty rate" for purposes of Promise Zone eligibility is the greater of these two indicators.

29. How are long term vacancy rates calculated in the Promise Zones mapping tool?

Long-term vacancy rates are calculated with data at the block group level with ACS 2011 and the USPS 2013, which ever source produces the greatest percentage. For the USPS data, HUD calculates the percent of residential addresses (excluding "no-stat" addresses) that are vacant. In the USPS data, a "vacant" address is one that has not had mail picked up for 90 days or longer. The USPS Vacant addresses can also include vacation or migrant labor addresses so HUD uses ACS data to reduce vacancy counts in these cases.

Using the ACS data, HUD calculates the vacancy rate as the percent of housing units that are "other" vacant. These are units not for sale, for rent or vacant for seasonal or migrant housing. This is considered another proxy for long-term vacant housing. In theory the USPS data should be a stronger measure of distress than the ACS data because they are for 100 percent of the units (ACS is a sample), are more current (ACS aggregates data over

a 5 year period), and are intended specifically to capture addresses 90 or more days vacant. However, USPS data are particularly poor at capturing vacancy in rural areas. As such, we use the ACS as a check on the USPS data so that every location gets a vacancy rate based on the greater of their USPS vacancy rate or their ACS 2007-2011 rate. For more information on HUD's USPS dataset, see: http://www.huduser.org/portal/datasets/usps.html.

Application Related Questions

30. Does the Abstract form count toward the 25 page limit for attachments?

No, the Abstract does not count toward the page limits.

31. What evidence is required to demonstrate local leadership's commitment to the Promise Zone effort?

How many local officials and at what level of local government need to sign letters of commitment? Does each local official need to submit two letters under the Eligibility Criteria and the Capacity section of the Application Guide?

The Eligibility Criteria in the application guide requires a letter from a local government official that demonstrates the commitment of local government to support the Promise Zone work, if designated. This letter must be included to be designated. In the Capacity section of the Application Guide, reviewers will score up to 15 points for a letter from a local government executive demonstrating willingness to coordinate work and investments, including targeting of local and locally-controlled funds from other sources toward Promise Zone activities. This letter can be the same letter as the Eligibility Criteria or an additional letter.

For applications across jurisdictional lines, a commitment must be demonstrated by leadership of all jurisdictions involved. This can be included as one letter with multiple signatures or multiple letters. Tribal applicants may submit a copy of resolution by Tribal government(s). For rural and tribal communities, evidence from each city or towns' commitment is dependent on the strategy proposed. For example, if a strategy is contingent upon a specific city, or a governmental or nonprofit entity in that city, then showing commitment to coordinate work and investments would be important.

32. Do we need to submit two letters- a local leadership letter in Section II and a letter of commitment from our local government in Section V? Is there a difference between the two letters? What if our community includes multiple jurisdictions?

An applicant can submit one letter to satisfy both Section II and Section V. However, to ensure the selection criteria is met, please ensure that the letter clearly describes the commitment of local government to coordinate work and investments, including targeting of local and locally-controlled funds from other sources toward Promise Zone activities. If your community includes multiple jurisdictions, you can submit a letter from each local government or tribal government. If you prefer to submit one letter that includes multiple jurisdictions, please make sure that the commitment of each jurisdiction is clearly defined.

33. In the Application Guide Need section, will the data be compared to the region or to other applicants?

Applicants will be scored against other applications. As stated in the application letter, applications will be ranked competitively within each of the three Promise Zone categories. In other words, rural applications will be ranked against other rural applications, tribal applications will be ranked against other tribal applications, and urban applications will be ranked against other urban applications.

34. Is there a file size limit for emailing files to HUD?

Emails are limited to five mega bites plus incoming/outgoing mail. If necessary, applicants may send more than one email containing application materials as attachments, provided that the name of the lead applicant organization is clearly indicated in the subject line, and the emails are numbered (for example, #2 of 5 total).

35. Can you please clarify the definition of "serious and violent" crime? I know Part 1 crimes are murder, rape, aggravated assault, and robbery. Are any other types of crime included in the category of "serious and violent"?

Due to the nature of crime, each community's definition of its serious and violent crime issues will vary, based on applicable laws and the nature of the local issues. Thus, applicants are requested to provide key data to support their defined serious and violent crime concerns. At a minimum, applicants should provide data about crimes included in the UCR Part 1 crime rate. Part 1 UCR crimes include: murder and non-negligent manslaughter, forcible rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson. At the same time, applicants may also provide data about other non- Part 1 crimes that are related to the crime issues and assist in expressing the nature and extent of their crime issue.

36. To whom should letters of support be addressed?

Letters of support should be included with the electronic submission of materials to pzapplications@hud.gov. They can be formally addressed to:

Deputy Assistant Secretary for Economic Development U. S. Department of Housing and Urban Development 451 7th Street SW, Room 7136 Washington, DC 20410

37. Are there any font size or formatting requirements?

There are no specifications for font and formatting. Submissions should be generally readable by the reviewers and sections should be clearly delineated. Materials can be submitted via one or more emails. If necessary, applicants may send more than one email containing application materials as attachments, provided that the name of the lead applicant organization is clearly indicated in the subject line, and the emails are numbered (for example, #2 of 5 total).

38. Can we submit additional letters of support beyond those required in the Application Guide and, in the case of Congressional letters, can those also be submitted directly?

Letters of support can be included as attachments and will not count toward the 25 page narrative or additional materials page limit. However, only the materials described in the application guide will be used in scoring applications. Congressional letters can also be sent directly to the Office of Congressional Relations at HUD (CongressionalNotifications@hud.gov).

39. Can more than one agency be the Lead Agency for a Promise Zone application?

Only one entity can serve as the lead applicant for Promise Zones. Other organizations can serve as implementation partners.

40. In the Strategy section of the Application Guide it requests a narrative summarizing the evidence base for the strategy elements supporting each goal listed. What guidance do you have on how to structure this narrative?

The evidence base narrative can be structured in whatever way is best for the applicant and community. It should demonstrate how the strategy is grounded in a solid evidence base and link the research and practice that best supports the proposed strategy.

41. Should we be able to describe leveraging private capital across all Promise Zone goals or only think of private capital as a sense of economic development?

The Application Guide asks for a narrative explaining the applicant's overall approach to leveraging private capital not just for economic development. Reviewers will not be evaluating the specific value of funding, but more broadly on what type of commitments have been made.

42. How many applications were received for the 2013 Promise Zones cycle?

In 2013, the Promise Zones applications received 31 applications (19 urban; 8 rural and 4 tribal).

Urban Applicants

Lead Applicant Organization	Lead Applicant City	Lead Applicant State
City of Austin	Austin	TX
Baltimore City Mayor's Office on Criminal Justice	Baltimore	MD
Dudley Street Neighborhood Initiative	Boston	MA
The Community Builders, Inc.	Boston	MA
HOPE Community Development Corporation	Charleston	WV
City of Chicago, IL	Chicago	IL
City of Chula Vista	Chula Vista	CA
City of Dayton	Dayton	ОН
City of Los Angeles	Los Angeles	CA
City of Lubbock	Lubbock	TX
City of Minneapolis	Minneapolis	MN
City of Milwaukee	Milwaukee	WI
City of New Orleans	New Orleans	LA
Mayor's Office of Community Empowerment and	Philadelphia	PA
Opportunity (CEO)		
City of San Antonio	San Antonio	TX
Knowledge and Education for Your Success	San Bernardino	CA
Mission Economic Development Agency	San Francisco	CA
City of Seattle Department of Planning and	Seattle	WA
Development		
City of Tampa	Tampa	FL

Rural and Tribal Applicants:

Lead Applicant Organization	Lead Applicant State
Choctaw Nation of Oklahoma	OK
City of Hammond	LA
Delta Health Alliance	MS
Jo-Terr Property Management Services	WI
Kentucky Highlands Investment Corporation	KY
Kisatchie-Delta Regional Planning & Development District	LA
Luna County	NM
Mississippi Delta Strategic Compact	MS
Northern Transformation	MI
Opportunity Link	MT
Spokane Tribe of Indians	WA
Thunder Valley Community Development Corp.	SD

43. How will the applications be scored? In the event of a tie score in the application review process, how will Promise Zones be selected?

Applications will be scored according to the selection criteria and points set forth in the final Application Guide for the appropriate category of Promise Zone (urban, rural, or tribal). The final Urban Promise Zone Application Guide is posted to the initiative web page at www.hud.gov/promisezones.

In order to be selected, an application must score a total of 75 points or more. Once scored, applications will be ranked competitively within each of the three Promise Zone categories. In other words, rural applications will be ranked against other rural applications, tribal applications will be ranked against other tribal applications, and urban applications will be ranked against other urban applications. In the event of a tie within the urban, rural, or tribal categories, among applications scoring total 75 points or more, the tied applications will be ranked in order of their overall scores in the Capacity and Local Commitment section of the selection factors, with the highest score in this section ranked highest among the tied applications. To the extent that a tie persists, the applications will additionally be ranked in order of their overall scores in the Strategy section. To the extent a tie continues to persist, applications will be additionally ranked in order of their overall scores in the Need section.

For the 2013 round it is the intention of the agencies to select one rural, one tribal and three urban Promise Zones. If sufficient applications meeting the 75-point scoring threshold are not available in each category, more designations may be made in one or more categories than the intended allocation. In total, up to five applicants will be selected.

The Promise Zone initiative will provide communities and the federal government with the opportunity to accelerate and demonstrate the impact of coordinated federal investment in communities where stakeholders have come together with a focus on results. The agencies seek to establish a diverse sample of quality designations in the initiative's first round, in order to inform the development of the initiative's programmatic elements so that they are most useful for communities working on comprehensive revitalization strategies nationwide. Therefore the agencies may select a lower ranked application over a higher ranked application, from among those scoring 75 points or more overall, for purposes of establishing diversity among 2013 Promise Zones in terms of the Promise Zone category (rural, tribal or urban) or geographic region.

44. How quickly is the interagency Promise Zone team reviewing the 2013 applications?

HUD, USDA and the other interagency partners are reviewing applications in December for a quick turnaround to designate the first round of communities.

Urban

43. Who will be picking the Promise Zones?

An interagency team led by HUD, in close partnership with the Department of Education and USDA will run the selection process for 2013. Reviewers from HHS and DOJ will participate as well. The overall Promise Zones initiative is co-led by HUD, Education and USDA.

44. When and how can communities apply to become Promise Zones?

Eligible communities were invited to apply in a letter sent on October 31, 2013. The application deadline for 2013 is on November 26, 2013. Application materials are available at www.hud.gov/promisezones. The application process will be different starting in 2014, as described below.

45. How would Promise Zones build on the current neighborhood revitalization grants?

The Promise Zones initiative provides a vehicle to accelerate existing revitalization work in urban, rural, and tribal communities. Promise Zones is designed to build upon the capacity that communities have demonstrated in one area of the Promise Zones work and who can demonstrate their readiness to broaden their efforts to additional revitalization priorities.

46. How is the Promise Zones initiative different from the Neighborhood Revitalization Initiative?

The Promise Zones initiative builds on work done in the first term of the Obama administration by the Neighborhood Revitalization Initiative (NRI), which coordinates activities under several signature programs to invest in distressed neighborhoods, including Choice Neighborhoods (Department of Housing and Urban Development), Promise Neighborhoods (Department of Education) and Byrne Criminal Justice Innovation (Department of Justice). Other agencies and programs are also involved in Promise Zones, notably the Department of Health and Human Services and the Department of the Treasury.

The agencies will continue to collaborate in the administration of their NRI programs, and work with grantees, technical assistance providers and other partners to target resources, improve practice and support cross-disciplinary neighborhood revitalization work in the field. Each program involved in the NRI will continue to have a larger pool of grantees than those communities designated as Promise Zones.

The Promise Zones initiative provides a vehicle to accelerate revitalization work in urban, rural and tribal communities in which key stakeholders have come together to identify a set of positive outcomes, develop an actionable strategy, encourage private investment and realign federal state and local resources to support achievement of those outcomes. Promise Zone designations will assist communities in working more effectively in several ways, beyond the work included in the NRI:

- Providing increased access to a range of federal programs that support different types of interventions to create jobs, increase economic activity, improve educational opportunities, leverage private funding and reduce violent crime.
- Providing Promise Zones tax incentives, if enacted by Congress, to stimulate hiring and business investment.
- Providing engagement and technical assistance that is responsive to community needs across different areas
 of practice involved in community revitalization, expediting consideration of regulatory flexibility where
 needed and appropriate to use federal funds (both formula and competitive allocations) more effectively.

The Promise Zones initiative provides an additional set of advantages to communities that demonstrate strong revitalization plans. The Promise Zones initiative builds on the lessons from the NRI, and work with grantees involved in both NRI and Promise Zones will continue to inform future program improvements.

47. How is the Promise Zones initiative different from Strong Cities Strong Communities (SC2)?

In July 2011, the Obama Administration launched SC2, an innovative and flexible pilot initiative to strengthen local capacity and spark economic growth in distressed local communities. SC2 evolved through ongoing conversations with mayors, foundations, nonprofits, and Members of Congress working in economically distressed communities who consistently highlighted challenges of local governments and the need for a strong, clear and coordinated relationship with the federal government. SC2 focuses on five goals:

- Improve relationships between local and federal government by breaking down traditional silos and strengthening federal and local government partnerships.
- Provide on-the-ground technical assistance and planning resources that are tailored to meet city needs and help cities utilize federal funds more efficiently and effectively.
- **Develop critical partnerships** with governments, businesses, foundations and nonprofits to support economic growth.
- **Enhance local capacity** by empowering communities to frame their own economic vision and leverage their physical, commercial, and social assets.
- **Encourage and strengthen regional collaboration** between cities, towns, and counties to help them compete in an increasingly globalized world.

The SC2 Council is currently working to select a new round of SC2 cities in 2013. This is a separate selection process than Promise Zones, and only municipalities identified by certain distress indicators and other factors have been invited to apply for SC2 in 2013. These distress factors include chronic unemployment and poverty rates.

The Promise Zones initiative targets community revitalization, and while municipalities are required to demonstrate strong commitment to the projects, they are not the only stakeholder and may not be the grantees or beneficiaries under programs participating in the Promise Zones initiative. However, many of the best practices learned from SC2 will be adapted to apply to Promise Zones—namely, the direct federal partnership to provide technical assistance and flexibility to overcome locally identified problems.

48. Can a community apply for both Promise Zone designation and Strong Cities, Strong Communities (SC2)?

Yes, communities can apply to participate in both initiatives. Applying for SC2 does not hurt or help a community's chances to be designated as a Promise Zones, and having a Promise Zones designation does not hurt or help a community's chances to be selected for SC2 in 2013.

Rural/Tribal

49. Will there definitely be a rural Promise Zone designation in 2013?

All Promise Zone proposals will be reviewed according to the selection criteria through a competitive process. We strongly encourage rural and tribal communities that are interested and eligible in 2013 to apply.

50. How do the Promise Zones propose to work with Native American Tribes with Reservations being the place of investment?

In this first year, certain Native American Tribes are eligible to participate and apply to become a Promise Zone because they have participated in one or more of the following programs: Promise Neighborhoods implementation grant; Stronger Economies Together (SET); Rural Jobs Accelerator grant; or Partnership for Sustainable Communities (Rural Planning Grant). The complete list of eligible Native American tribes is available at www.hud.gov/promisezones. All eligible tribes received a letter of invitation to apply sent on October 31, 2013.

51. In the future, might USDA's StrikeForce Areas be eligible to apply?

In 2013, only communities that have previously been selected to participate in one of a related set of programs (Promise Neighborhoods implementation grant; Stronger Economies Together (SET); Rural Jobs Accelerator grant; or Partnership for Sustainable Communities (Rural Planning Grant)) will be eligible to apply. Each of these programs is nationally competitive, and participation in each of them indicates a level of capacity among local institutions that promotes the success of a Promise Zone.

Federal agencies will use the experience of working with the first set of communities to develop aspects of the Promise Zones initiative, such as technical assistance and data gathering, so that the initiative can support other communities more effectively in future years. Any interested community meeting the qualifying criteria may apply starting in 2014. The participating agencies intend to release draft qualifying and competitive criteria for public comment in the first months of 2014. Email promisezones@hud.gov to be included in a 2014 email listserv.

52. Who is working with the Tribal Promise Zone initiative?

USDA is working directly with tribes, with leadership from USDA's Office of Tribal Relations, and working in close coordination with HUD's Office of Native Programs. A broad range of other agencies are also engaged.